

HUD Tenants Coalition
944 Broad St., Newark, NJ 07102

June 24, 2003

Susan Collins
Abelard Foundation East
P.O. Box 148
Lincoln, MA 01773

Dear Ms. Collins,

The HUD Tenants Coalition is an organization which assists tenants in learning their rights, organizing resident associations, and addressing housing policy issues which impact on their homes. While it began in 1987, and has grown from 8 to 40 apartment complexes in the Newark areas, in the last year it has begun a new initiative: statewide organizing, the formation of the New Jersey HUD Tenants' Coalition.

HTC has begun working with residents to form resident organizations and local coalitions patterned after the Newark organization in Atlantic City, Camden and Trenton. Already, there are 18 buildings involved in Atlantic City. The beginning organization there needs support, and organizing assistance must be provided for residents of Trenton and Camden.

Rental housing costs in New Jersey have skyrocketed. It remains one of the most expensive places to live in the nation, according to the National Low Income Housing Coalition's Out of Reach Report for 2002. Privately-owned government-assisted buildings, with the rental subsidies they involve, remain a major part of New Jersey's affordable rental housing, some 60,000 units around the state.

The buildings remain threatened - by incompetent management, by monitoring agencies which are out of touch with residents or do not enforce existing regulations, by rapidly changing local, state and federal housing policies and escalating housing markets. Resident action and involvement, through resident associations, is key to the improving housing conditions and maintaining affordable rents, and the preservation of affordable housing is the ongoing goal. Working together, residents can get improvements in their buildings and changes in housing policy which will preserve their homes as good quality affordable housing.

Please feel free to contact me should you need additional information concerning the enclosed application.

Sincerely,

Frank Hutchins
(973) 643-7711
920 Broad St.
Newark, NJ 07102

New Jersey HUD Tenants' Coalition Proposal

Background, Mission and Accomplishments

The **HUD Tenants Coalition (HTC)** began in 1987 to bring together tenant leaders from privately-owned government-assisted buildings to collectively address housing conditions and preserve their homes as quality affordable housing. Through rent subsidies or holding the mortgages, both the Department of Housing & Urban Development (HUD) and the New Jersey Housing & Mortgage Finance Agency are involved in these properties. Buildings of this type contain some 60,000 units, or one third of all publicly assisted units statewide, and, in the urban centers, house thousands of low and very low income African American and Spanish-speaking families.

HTC staff are dedicated to working with residents to improve conditions in their buildings and to preserve these buildings as quality affordable housing. **HTC** organizes resident associations in these buildings to take action on issues like poor management, fraudulent spending, and illegal rent increases, provides leadership development and training and information, and works with the National Alliance of HUD Tenants (NAHT) on housing policy issues. In assisting residents, HTC:

- Empowers residents through the formation of tenant associations
- Brings tenant leaders together monthly to share strategies, develop resources, and plan action
- Provides technical assistance, legal and accounting help for residents
- Provides tenants with information about their legal rights and federal and local housing policy changes which will impact on them through workshops, fliers, a tenant newsletter, and a community cablevision show.

Over the years, HTC has:

- Grown from 8 to 40 member buildings in the Newark area,
- Blocked demolition of Brick Towers, a viable 300 unit affordable building in Newark
- Stopped illegal rent increases
- Held tenant rights and information workshops for hundreds of tenants, city-wide and at their buildings
- Assisted resident organizations and individuals in getting improved living conditions in their buildings

Next Step: Statewide Organization

In spring of 2002, with assistance from HTC, tenants in Atlantic City began a Coalition patterned after the Newark area Coalition involving 18 properties. HTC's Atlantic City work has earned praise from the City Council President there, who stated that the organization is "playing a very vital role in our community where the overwhelming majority of people are renters. Tenants were for the most part uninformed as to their basic rights...They (HTC) have begun to empower people." In Camden and Trenton similar work has begun. These emerging coalitions need organizers and staff support in order to grow. An organization which spans the state will be a stronger voice for tenants in housing policy decisions at the state level to address monitoring organizations, state budget decisions, and other policy issues. Successful organizing in the targeted locations will result in an active statewide organization of residents dedicated to the preservation of their homes.

Residents must play the key role in decisions which affect the future of their homes. Active and informed residents must be involved in developing housing policy and determining solutions. Given New Jersey's ongoing affordable housing crisis and status as one of the most expensive housing markets in the nation, preservation of these properties as good quality affordable homes is an important policy goal. This application seeks funds to support the effort to expand this work statewide.

Community Description and Need

According to the "Out of Reach Report," published in September 2002 by the National Low Income Housing Coalition, New Jersey remains one of the most expensive places in the nation for housing, the third most expensive in the nation. The median price for single family homes in the New York/New Jersey market was \$303,800, up 22% from last year - "out of the reach" of many New Jersey urban residents.

The number of renters who are spending more than 35% of their income on housing in Atlantic City is 33.4%, in Trenton 36.7%; in Camden 41.5%. For very low income people, the problem is worse: a minimum wage worker (earning \$5.15 an hr) must work 139 hours a week in order to afford the fair market rent for a two-bedroom apartment. New Jersey is the most expensive place in the nation for a minimum wage worker to rent. (*National Low Income Housing Coalition, Out of Reach Report, 2001*). According to the census of 2002, there has been an overall decline in affordable rental housing units in Newark from 1970 to 2000 of 47%, in Camden of 25%, and in Trenton of 20%. There are over 9000 families on the statewide Section 8 waiting list.

The population who live in properties described in this application in Newark, Atlantic

City, Camden and Trenton are renters, mostly low and very low income, and these good quality affordable housing units are greatly needed. Newark is the poorest city of its size in nation. Camden is the poorest city in the nation, with 57.2% of its children live in poverty. In the last 10 years, the Trenton Board of Education has seen a rise of 370% in homeless children. In Atlantic County, median rents are \$830 for a 2 bedroom apartment and the annual income needed to afford this is \$33, 200. Over one in five of the state's renters are extremely low income, that is they have incomes less than 30% of the state's median of \$15,000. While these buildings house tenants of all ethnicities, in large urban centers like Newark, those who live in the buildings stock which is described in this application are predominantly minority families, African American or Latino. The population of Camden is 49.8% African American and 38.8% Hispanic. In Trenton, 50.9% of the population is African American, 21.5% Hispanic. In Camden, 49.8% of the population is African American, 38.8 Hispanic.

Because of the rental subsidies, the housing stock in these privately-owned government-assisted buildings remains some of the most affordable in New Jersey's rental housing market – and its preservation is key for low and very low income families.

Goals, Strategies, Measureable Outcomes

Funds from this grant would support the new initiative to build the New Jersey HUD Tenants' Coalition as a statewide organization. The goals include:

1. **To maintain New Jersey's diminishing quantity of good quality affordable housing stock through preservation and maintenance of privately-owned government-assisted buildings.**

Strategies:

- a. Build an effective statewide organization of building residents.
- b. Educate local, state and federal officials about the importance of preservation.
- c. Pass laws and policies which preserve affordable housing, such as the recent receivership law which have been introduced at the state level.
- d. Prevent the loss of affordable housing units in this housing stock through demolition or other means.
- e. Educate the general public about the housing crisis, and the importance of preservation as it relates to the housing crisis.
- f. Enlist partners in this effort.

Measureable outcomes:

- a. 20 new members of NJ HUD Tenants Coalition (10 in first half, 10 second half).

- b. 6 meetings/contacts with elected officials (3 first half, 3 second half).
- c. Passage of the housing receivership bill by New Jersey lawmakers.
- d. Halting the demolition of buildings of this type, such as Brick Towers.
- e. 8 press releases, articles, etc. which bring the message of the need for affordable housing preservation to the public. (4 in the first half, 4 in the second half).
- f. Partners enlisted, such as church organizations, etc. (first and second half).

2. To develop the New Jersey HUD Tenants Coalition as an effective statewide tenant organization of residents living in privately-owned government-subsidized buildings.

Strategies

- a. Build on work begun in Atlantic City, Camden and Trenton and add new member buildings in areas outside Newark.
- b. Provide staff support and resources for residents organizing in their buildings in Atlantic City, Camden and Trenton areas.
- c. Promote communication among tenant leaders.
- d. Provide tenant information and training and leadership development opportunities.

Measurable outcomes:

- a. Of the 20 new members, at least 3 each from Camden, Trenton and Atlantic City.
- b. Staff and offices established in Atlantic City, Camden and Trenton. (first half of grant year)
- c. One statewide conference (second half of grant year).
- d. Publication of *Tenant Action News* (second half of grant year).
- e. Begin development of a Board representative of all parts of the state (first half)

3. To identify key tenant leaders in new member buildings, develop new leaders, and build leadership capacity.

Strategies:

- a. Provide training opportunities for tenant leaders on a regular basis.
- b. Provide information, materials and opportunities which help tenants to understand particular housing policies and their impact.
- c. Encourage resident participation in the National Alliance of HUD Tenants National Conference (second half).

- d. Assist residents in bringing their message to the public to educate the wider community about tenant rights, the housing crisis, the need for affordable housing, and the crucial need for housing preservation.

Measureable Outcomes:

- a. Regular monthly tenant coalition meetings (10 meetings a year at least in various locations, first and second half of grant year).
- b. Number of fliers/booklets, etc. printed and distributed.(first and second half of year).
- c. Number who attend Conference. (second half of grant year).
- d. Number of press articles, releases, letters to officials, appearances on media.

4. To maintain and expand local funding base.

Strategies:

- a) Continue dues policy for member buildings.
- b) Identify and recruit fundraising committees members and explore and implement new local fundraising strategies with residents.

Measureable outcomes:

- a) Maintain and increase funds collected as membership dues. (first and second half of grant year).
- b) Number of residents on fundraising committees (first and second half of grant year).

Membership and Board

Tenant leaders from buildings form the core membership of the HUD Tenants' Coalition. While membership is primarily by building, individuals can also be members. There is an annual dues structure for individuals and buildings. Currently there are 40 member buildings in the Newark area. As buildings join in the emerging Atlantic City area, and in Camden and Tremont, they pay annual dues. The HUD Tenants' Coalition Board consists of twelve residents from the affected properties. Board members meet quarterly, and report as needed at regular membership meetings, held monthly. Ten out of twelve Board members are low income. The list of Board members is attached.

Fiscal Agent

The Ironbound Community Corporation, an existing non-profit approaching its 40th year, serves as the fiscal agent for the HUD Tenants' Coalition, 501-C-3 letter attached.